Sanitized Copy Approved for Release 2010/06/23: CIA-RDP90-00552R000100510033-0

ARTICLE APPEARED ON PAGE

LOS ANGELES TIMES 9 July 1981

STAT

Depicted as `Classic' Victim, He Loved the Good Life

L.A. Spy Suspect Caught in Web of Debt

By PENELOPE McMILLIAN and EVAN MAXWELL, Times Staff Writers

The Hughes Aircraft engineer arrested last week on a charge of selling secret documents to a suspected Polish intelligence officer was an outgoing man who loved the good life and as a result fell victim to a "classic kind of compromise," federal sources say.

With the case of the engineer, William Holden Bell, and the Pole, Marian W. Zacharski, set to go before a federal grand jury, today, several facets of Bell's life are beginning to come into focus.

On the surface, he seemed an unlikely spy. He was a UCLA graduate with a degree in physics whose first job, in 1952, was with Hughes Aircraft, a company he never left.

He earned about \$50,000 a year and was trusted enough to gain a "secret" clearance that gave him access to classified documents at Hughes' El Segundo plant.

In his private life, the 61-yearold Bell was an aspiring author of spy novels. He wrote at least one manuscript that featured a James' Bond-like hero who loved gourmet food and beautiful women. In that story, the hero goes to work with French agents at the request of the CIA and is double-crossed.

According to a professional writer who was trying to help rewrite the book, the hero seemed a fantasized version of Bell himself.

Back in the real world, however, Bell lived constantly on the brink of financial disaster. Records show that he was deeply in debt from the moment he went to work for a liv-

in 1976, he filed for bankruptcy. owing more than \$20,000 in back taxes and nearly \$30,000 in credit card charges, finance company, loans and other debts

Federal agents who investigated the espionage case sald his activities. as a spy appear to have been triggered by a financial crisis that arose after the bankruptcy action.

The affidavit submitted by FBI agents, at Bell's arraignment on gespionage charges said the engineer and the Pole became friends be A key event occurred in late 1978 when the 13-building complex was converted to condominiuma

Federal sources said Bell, desperate for money to buy a condominium apartment, agreed to take \$5,000 and then \$7,000 from Zacharski in return for secret documents.

I Eventually according to Bell's own admissions to FBI investigators, he was paid more than \$110,000 in currency and gold for secret documents related to U.S. weapons plans.

Bell, free on \$50,000 ball, reportedly told RBI agents he first gave Zacharski, the U.S. representative of a Polish machinery company, only non classified material. But once he accepted the Pole's money, the felt he had been compromised and might lose his job. So he continued to cooperate—and to accept money.

Almost a Cliche

The vulnerability of a man in personal debt who has access to defense secrets is almost a cliche, but FBI counterintelligence experts say foreign operatives frequently exploit it.

I They said Bell was a likely target for such exploitation because his financial problems were chronic and long-standing.

Superior court records of his 1976 divorce. from his first wife, Eleanor, contain a declaration from Bell that by the time he had gradulated from UCLA in 1952, the couple was find debted to the extent of several thousand dol-Ars."
Bills Increased

Despite increased earnings when he was hired by Hughes, he continued, vour indebtedness increased. By March, 1974, thy wife and I were indebted to the extention approximately \$35,000," not including a loah on their West Los Angeles home.

Bell chose to move to Brussels, Belgium, in 1974, to work for Hughes' international divilon. He was partly attracted, he said, by "my" receipt of living expenses, allowances in and bonuses that ... would increase the amount of spendable income."

But, he continued, "As a result of numerous." Travel lodging and touring expenses incurred by my wife and family our debtedness con-

While in Brussels, he met, Rita Gheeraert, an attractive dark-haired woman 24 years younger than he was. According to the records, he began living with her in late 1974.

When Bell returned to the United States in 1976, they continued to live together. Due to his debts, the declaration continued, "I could not qualify to rent a car," to get to work.

His divorce was granted in Los Angeles in September, 1976. He filed for a license to marry Gheeraert, now employed by Pan American Airways, a week later

Bell had three children by his first wife. one of whom, Kevin, died in 1975. One Hughes employee said Bell had been so wellliked by his co-workers that some had tried to help out with the medical expenses.

Remembering this, the employee said, there has been at Hughes, somewhat of a betrayed feeling among those who knew him," along with "surprise and shock."

In the Playa del Rey complex where Bell and Zachareski lived, Bell was known as an affable, witty and generous man. About a year ago, one neighbor recalled, Bell replaced his medium-sized Chevrolet with a red Cadillac with a white vinyl top and sunroof.

In The first time the neighbor saw Bell driving it; he recalled, "Bell was wearing a Panama hat and sun glasses, and I thought how much that was like him."

56 It was also about a year ago that Burbank Daily Review entertainment writer Leigh Spear was approached by Bell to rewrite a spy novel he had hopes of gelting published.

Bell's hero, Spear wrote in a recent United Press International story, "worked! !! for a U.S. arms manufacturer, thwarting Arab bad guys while living it up with gourmet food and interesting women. interesting women."

Escapes 'Arab Villains'

In the book, he works with foreign agents at CIA request, gets double-crossed, winds up the prisoner of "Arab villains" and then escapes by converting a skiff into a battleship.

Spear expressed doubts that the book was publishable even if rewritten, but nonetheless he said he met several times with Bell.

Once or twice he mentioned to me that his work at Hughes was top secret and he had to be careful," Spear wrote. "He maintained that he was under surveillance by the CIA. ... I thought he was being over dramatic."

Since the arrest, Spear said in an interview, Bell has contacted him several times: "He's a rather desperate man," Spear said. "He realizes what he has done. He got trapped by his greed."

But the reason Bell called him. Spear said. was: "He wants to know what prospects the

book has in light of these events."

្រៃcause the Sanitized Copy Approved for Release 2010/06/23:CIA-RDP90-00552R000100510033-0